

FIRST QUARTER 2020 TRADING UPDATE**KEEPING OUR PEOPLE SAFE AND CUSTOMERS SERVED**

Coca-Cola HBC AG, a leading consumer products business and strategic partner of The Coca-Cola Company, today announces its 2020 Q1 trading update.

First quarter highlights

- All employees safe, customers that are open for business supplied, production and logistics operating
- Strong trading in January and February; weaker results in March as government lockdowns severely impacted the out-of-home channel
- Q1 FX-neutral revenue declined by -1.2%, or -0.5% adjusted for trading days and Bambi¹
 - Q1 Volumes increased by 3.1% as good growth YTD February was partly offset by a decline in March. Fewer selling days is estimated to have cost 2.1pp of growth in the quarter (ex Bambi)²
 - FX-neutral revenue per case declined by 4.1% driven by negative country mix from strong growth in Nigeria following prior-year pricing actions (-2.2pp impact), the discontinuation of Lavazza Coffee (-0.8pp impact) as well as a shift in channel and pack mix caused by significantly reduced volumes in the out-of-home channel, growth in discounters and supermarkets, and a shift into large format packs in March
 - Gained or maintained share in the majority of our markets
- FX-neutral revenue growth by segment heavily influenced by timing and severity of lockdowns
 - Established: -7.2%; volume -5.5% as countries in this segment entered lockdown first and derive a larger proportion of revenues from the out-of-home channel
 - Developing: -2.9%; volume growth of 1.8% was offset by negative pack mix due to lockdown measures and strong growth from organised trade
 - Emerging: +4.8%; volume growth of 8.1% with continued growth in most markets and double-digit volume growth in Nigeria which entered lockdown after the quarter end
- In April, with every market in lockdown³, FX-neutral revenue fell -37.2% and volumes -27.3% (ex.Bambi)
- Anticipated combined net impact of FX and raw materials for 2020 unchanged; benefits from lower commodity costs offset weaker FX
- Decisive actions taken to reduce costs and re-prioritise investments: 2020 discretionary expenditure cut by over €100m vs plan, cash capex cut by over €100m or just under 20% vs plan
- Strong balance sheet and sufficient liquidity to meet all financial commitments as well as to operate and invest in the business

Zoran Bogdanovic, Chief Executive Officer of Coca-Cola HBC AG, commented:

“The challenges presented by the Covid-19 pandemic are unprecedented for our business and the communities where we operate. On behalf of all of us at Coca-Cola HBC, I would like to sincerely thank those working tirelessly to keep us all safe.

“After a strong start to 2020, March and especially April have been more difficult. I am very proud of how our teams are responding to this crisis, particularly the adaptability, resilience and community spirit our people have demonstrated. The strong performance in January and February ensured that we entered this crisis from a position of real strength with sound business fundamentals and a solid balance sheet. When the pandemic struck we took decisive actions, fully focused on keeping our people safe, our customers served and our communities supported. We are also effectively managing the business for the conditions which will support our performance and ensure we are well-placed to move into the recovery phase when it comes.”

¹ Performance, unless stated otherwise, excludes the impact of fewer trading days in the quarter and includes the impact of the acquisition of Bambi. For performance measures excluding Bambi please refer to the relevant table in the 'Supplementary information' section.

² Selling days were lower by a range of 1 to 3 days across the Group with an estimated 2.1pp negative impact on FX-n revenues.

³ Only Belarus remained out of lockdown.

Q1 2020 vs Q1 2019 growth (%)	Net sales revenue		Volume	Net sales revenue per unit case	
	FX – neutral ⁴	Reported		FX – neutral ⁴	Reported
Total Group	(1.2)	(0.3)	3.1	(4.1)	(3.3)
Established markets	(7.2)	(6.2)	(5.5)	(1.8)	(0.7)
Developing markets	(2.9)	(4.4)	1.8	(4.6)	(6.1)
Emerging markets	4.8	6.7	8.1	(3.1)	(1.3)

⁴ For details on Alternative Performance Measures ('APMs') refer to 'Alternative Performance Measures' and 'Definitions and reconciliations of APMs' sections.

Trading and current environment

As governments in our territories moved to put social distancing measures in place in response to the COVID-19 pandemic, we saw a significant impact on our business. Italy put in place limited containment measures on 21 February, progressing to a full lockdown on 11 March. More countries in our Established segment moved to put in place lockdowns such that by mid March every market was impacted. Central and Eastern Europe followed, with every country in the Developing segment impacted by the last week of the quarter. The Emerging segment saw more varied impacts, with Nigeria trading normally during the quarter, and Russia moving into limited containment by the last week of the quarter. By the end of March, 25 of our 28 markets had lockdowns in place and in April every market, with the exception of Belarus, was impacted.

The out-of-home channel, which accounts for slightly over 40% of our revenues, is severely impacted by these lockdowns; during the weeks of lockdowns, we have been experiencing volume declines in the channel in the range of 70-90%. During April, Group FX-neutral revenue declined by 37.2% and volumes declined by 27.3% (excluding Bambi). Percentage volume declines have been reasonably stable at this level throughout April, affected by the lockdown in all markets except Belarus, the cycling of a 'regular' Easter in 2019 compared to a 'lockdown' Easter in 2020, and some customer inventory de-stocking.

We are responding fast to changes in shopper and customer demand with an adaptive commercial strategy ensuring we have the right products and package formats to address affordability as well as premiumisation opportunities. We have taken early actions on costs, with significant cuts to discretionary expenditure including reducing marketing costs by more than 50%. We have re-prioritised capital expenditure plans, reducing capex cash outflow for 2020 by €100m compared with original plans. These actions support profitability and liquidity, without sacrificing our preparedness for the recovery.

It is still too early to quantify the impact that the COVID-19 pandemic will have on our results during 2020, given that the duration of the lockdowns, and ultimately the pace of economic activity once the restrictions are lifted, is uncertain. It is clear, however, that the impact will be material.

Our strong balance sheet and liquidity position will support the company through this period. At the April close we had €1.4b of cash and time deposits, being more than sufficient to meet future financial commitments such as the maturing bond repayment, interest costs and the ordinary dividend, leaving €0.6b available for operational and investment needs. In addition to this we have an undrawn Revolving Credit Facility of €0.8b, as well as more than €0.9b available out of our €1.0b Commercial Paper Facility. None of these credit lines have any financial covenants and we have no further bond maturities until November 2024.

We feel our balance sheet and liquidity position is a key strength at this time, which, combined with our leading market shares, strong off-trade business, excellent customer relationships and route to market, will allow us to weather this crisis and put us, our customers, and our partners in a strong position to capitalise on the opportunities that will arise in the future.

Supporting our communities

We are actively supporting those who continue to have their lives changed or impacted by the virus wherever and whenever we can. The safety of our employees, customers, partners, consumers and products remains our highest priority, and we have implemented global best practice precautionary and hygiene measures at all our locations.

Together with The Coca-Cola Company, we are increasing significantly the support we give to communities in the form of financial aid to organisations such as the Red Cross, and product donations. The Coca-Cola

Foundation is providing funding to all our 28 markets, which is being used now to support frontline work or to purchase medical equipment.

We are donating beverages to support hospitals, quarantine centres, food banks, emergency services, NGOs and the vulnerable. For example in Nigeria we have donated over 130,000 litres of beverages to COVID-19 Response teams, Emergency Medical Facilities and to quarantine centres and in Italy, we have delivered 600,000 beverages to the Italian Foodbank Banco Alimentare Civil Protection, NGOs and 30 hospitals. This activity is being replicated across our markets.

We are also leveraging the capabilities of our own supply chain to support the provision of protective and medical equipment. Examples include using our 3D printing capability to produce protective face masks in Russia and producing 10,000 bottles for the dispense of hand sanitizer in Ireland. We have also loaned one of our microbiological detectors to support laboratory testing for COVID-19 in Romania.

Established markets segment

Established markets volume was 5.5% lower compared to the prior-year quarter. We saw good performance during the first two months of the quarter but declines in March. April volumes declined by 41.2%.

Since the lockdowns we have experienced a significant channel shift away from out-of-home, which represents over 40% of the revenues of some of our largest markets in the segment such as Italy and Greece. We have benefited from an increase in demand in the at-home channel, in the weeks of household stock-up, although it has not been sufficient to fully compensate the volume lost in out-of-home.

Sparkling volume declined 4.6%; we continue to see strong performance from low- and no-sugar variants growing low-single digits including Coke Zero growth of 10.0%. Energy also continued to grow double-digit. Elsewhere in our portfolio, still drinks declined in most of the countries in the segment.

Volume in Italy declined by mid-single digits as it is one of the hardest hit countries by the pandemic with early out-of-home restrictions and an extended lockdown starting in early March. Despite this challenge, we have grown share in both Sparkling and NARTD. The quarter saw growth in both Energy and Ready-to-Drink Tea (RTD Tea) and a decline in the rest of the categories.

In Greece the year started in line with expectations, however the strict lockdown measures put in place resulted in a large drop in volume in March leading to a high single digit volume decline in the quarter.

Austria delivered a low single-digit volume decline. The quarter saw good performance in Energy and stable performance in Water which helped to partially offset the declines in other categories.

In Switzerland, volume declined by low single digits. The country benefitted from less stringent social distancing rules and we have seen an overperformance in the at-home channel due to the stock up by households and the closed borders restricting grocery shopping abroad.

Volume in Ireland declined by high single digits, impacted by the enforced restrictions. Energy and Water have showed very good performance during the period.

Net sales revenue in Established markets declined by 6.2% in the quarter. The impact of lower volume, negative channel and pack mix was only partially offset by positive pricing and favourable currency movement in the Swiss Franc. Price/mix in the segment was also impacted by the discontinuation of Lavazza in Q4 2019. FX-neutral net sales revenue per case decreased by 1.8% in the quarter.

Developing markets segment

Volume in the Developing markets grew by 1.8% during the period with an adverse impact from lockdown measures starting in mid-March. The out-of-home channel accounts for 30 to 40% of the revenues of most of the large countries in the segment such as Poland and the Czech Republic. April volumes declined by 29.3% in the segment.

Volume in Poland grew by mid-single digits, maintaining the momentum since the final quarter of last year as well as showing strong market share performance. Given the challenging conditions towards the end of the period, we are particularly pleased with this result. The country saw mid-single digit volume growth in Sparkling and Water in the quarter.

In Hungary, volume decreased by mid-single digits. Sparkling volumes were flat in the quarter with growth from Trademark Coke. Still volumes declined as growth in Water was offset by declines in Juices and RTD tea.

Volume in the Czech Republic was stable in the period with low-single digit growth in Sparkling led by strong double-digit growth in Coke Zero, while Still volumes declined.

Net sales revenue in the Developing markets declined by 4.4% while FX-neutral net sales revenue per case decreased by 4.6% in the quarter. This is a result of the discontinuation of Lavazza and the negative impact that the COVID-19 crisis has on channel and package mix, coupled with the strategic decision for less pricing in some of these markets compared to the previous years.

Emerging markets segment

Emerging markets volume was up 8.1%, a good improvement despite the strong comparable over the same period last year of 5.7%. This is the result of strong growth in Nigeria as well as in medium-sized countries like Serbia and Ukraine. Countries in this segment entered lockdowns later than other segments, and out of home revenues represent less than 30% of the respective countries. By April, all countries except Belarus had restrictions in place, and as a result, April volumes declined by 19.6%, excluding the Bambi acquisition.

Volume growth in Russia was in the low single digits on a tough comparable of 7.0% in the same period last year. The quarter saw good growth from Sparkling and double-digit growth in Energy. Still volumes declined, mainly driven by Juice where we are focusing on higher value brands and packs. These initiatives, together with the price increases we implemented in the quarter ahead of the COVID-19 outbreak, are benefiting FX-neutral revenue, which saw good growth in the period.

Volumes in Nigeria continued with the double-digit momentum we saw in the fourth quarter of last year, albeit at a slower pace given a more challenging comparable. We experienced double-digit growth in all categories including Sparkling. The country did not experience any impact in the quarter from the pandemic given that local measures were only implemented after the quarter close.

In Romania, volume decreased by low single digits impacted by the out-of-home restrictions that came into force in the third week of March. Despite this, Sparkling volume growth was stable with good growth from no-sugar variants and Adult Sparkling. Still volumes declined as the growth in Juice was not enough to offset declines in Water and RTD tea.

Volume in Ukraine maintained its positive momentum, with volume growth up high-single digits led by strong growth in Sparkling.

Emerging markets net sales revenue increased by 6.7%, benefiting from volume growth and favourable currency movements, mainly from the Russian Rouble, the Nigerian Naira and the Ukrainian Hryvnia. FX-neutral net sales revenue per case growth declined by -3.1%, impacted by the pricing investments implemented in Nigeria in the last quarter of last year as well as negative country mix from strong volumes in the country. Outside of Nigeria we saw adverse channel and package mix due to the COVID-19 pandemic.

Category highlights

Sparkling drinks grew by 3.1% with growth led by the Emerging and Developing segments as well as continued good performance from Trademark Coke, up 3.3%. Low- and no-sugar variants continue to lead the growth, up 7.8%, while full sugar variants grew by 2.2%. Energy continued to have double-digit growth, up 22.2% with continued strong performance across all three segments.

Still drinks grew by 2.0%, led by growth in the Emerging and Developing segments. Water grew by 0.8%, cycling very strong growth of 7.3% in the prior-year period. Juice declined by 3.7%, driven by lower volume in the Emerging and Established segments, partly offset by volume growth in the Developing segment. In RTD tea, volume declined 12.5% compared to the prior year.

Multi-serve packs grew volume during the quarter, while small packs, under 650ml in size, declined slightly resulting in a negative impact on package mix.

Supplementary information

Group	First quarter 2020	First quarter 2019	% Change
Volume (m unit cases)	483.7	469.2	3.1%
Net sales revenue (€ m)	1,408.8	1,412.6	-0.3%
Net sales revenue per unit case (€)	2.91	3.01	-3.3%
FX-neutral net sales revenue ¹ (€ m)	1,408.8	1,425.6	-1.2%
FX-neutral net sales revenue per unit case ¹ (€)	2.91	3.04	-4.1%
Established markets			
Volume (m unit cases)	123.6	130.8	-5.5%
Net sales revenue (€ m)	499.5	532.5	-6.2%
Net sales revenue per unit case (€)	4.04	4.07	-0.7%
FX-neutral net sales revenue ¹ (€ m)	499.5	538.4	-7.2%
FX-neutral net sales revenue per unit case ¹ (€)	4.04	4.12	-1.8%
Developing markets			
Volume (m unit cases)	91.3	89.7	1.8%
Net sales revenue (€ m)	255.4	267.2	-4.4%
Net sales revenue per unit case (€)	2.80	2.98	-6.1%
FX-neutral net sales revenue ¹ (€ m)	255.4	263.1	-2.9%
FX-neutral net sales revenue per unit case ¹ (€)	2.80	2.93	-4.6%
Emerging markets			
Volume (m unit cases)	268.8	248.7	8.1%
Net sales revenue (€ m)	653.9	612.9	6.7%
Net sales revenue per unit case (€)	2.43	2.46	-1.3%
FX-neutral net sales revenue ¹ (€ m)	653.9	624.1	4.8%
FX-neutral net sales revenue per unit case ¹ (€)	2.43	2.51	-3.1%

¹ For details on APMs refer to 'Alternative Performance Measures' and 'Definitions and reconciliations of APMs' sections.

The volume, net sales revenue and net sales revenue per unit case on reported and FX-neutral basis, are provided for NARTD and premium spirits, as set out below:

	First quarter 2020	First quarter 2019	% Change
NARTD			
Volume (m unit cases) ¹	483.3	468.7	3.1%
Net sales revenue (€ m)	1,381.6	1,380.1	0.1%
Net sales revenue per unit case (€)	2.86	2.94	-2.9%
FX-neutral net sales revenue (€ m)	1,381.6	1,392.8	-0.8%
FX-neutral net sales revenue per unit case (€)	2.86	2.97	-3.8%
Premium Spirits			
Volume (m unit cases) ¹	0.415	0.512	-18.9%
Net sales revenue (€ m)	27.2	32.5	-16.3%
Net sales revenue per unit case (€)	65.54	63.48	3.3%
FX-neutral net sales revenue (€ m)	27.2	32.8	-17.1%
FX-neutral net sales revenue per unit case (€)	65.54	64.06	2.3%
Total			
Volume (m unit cases) ¹	483.7	469.2	3.1%
Net sales revenue (€ m)	1,408.8	1,412.6	-0.3%
Net sales revenue per unit case (€)	2.91	3.01	-3.3%
FX-neutral net sales revenue (€ m)	1,408.8	1,425.6	-1.2%
FX-neutral net sales revenue per unit case (€)	2.91	3.04	-4.1%

¹ For NARTD volume, one unit case corresponds to approximately 5.678 litres or 24 servings, being a typically used measure of volume. For premium spirits volume, one unit case also corresponds to 5.678 litres. For biscuits volume, one unit case corresponds to 1 kilogram.

Supplementary information (continued)

Bambi has been included in the Group's consolidated financial statements since 18 June 2019. The table below depicts the Group's growth compared to the prior-year period, excluding the impact from the acquisition of Bambi:

Q1 2020 (excl. Bambi) vs Q1 2019 growth (%)	Net sales revenue		Volume	Net sales revenue per unit case	
	FX - neutral	Reported		FX - neutral	Reported
Total Group	(2.6)	(1.7)	1.6	(4.1)	(3.3)
Established markets	(7.2)	(6.2)	(5.5)	(1.8)	(0.7)
Developing markets	(2.9)	(4.4)	1.8	(4.6)	(6.1)
Emerging markets	1.5	3.4	5.3	(3.6)	(1.8)

Coca-Cola HBC Group

Coca-Cola HBC is a leading bottler of The Coca-Cola Company with an annual revenue in excess of €7 billion. It has a broad geographic footprint with operations in 28 countries serving a population of more than 600 million people. Coca-Cola HBC offers a diverse range of primarily non-alcoholic ready-to-drink beverages in the sparkling, juice, water, sport, energy, plant based beverages and ready-to-drink tea and coffee categories. Coca-Cola HBC is committed to promoting sustainable development in order to create value for its business and for society. This includes providing products that meet the beverage needs of consumers, fostering an open and inclusive work environment, conducting its business in ways that protect and preserve the environment and contribute to the socio-economic development of the local communities. Coca-Cola HBC is ranked among the top sustainability performers in ESG benchmarks such as the Dow Jones Sustainability Indices, CDP, MSCI ESG and FTSE4Good, among others.

Coca-Cola HBC has a premium listing on the London Stock Exchange (LSE: CCH) and its shares are listed on the Athens Exchange (ATHEX: EEE). For more information, please visit <http://www.coca-colahellenic.com>.

Conference call

Coca-Cola HBC's will host a conference call for financial analysts and investors to discuss the trading update for the first quarter of 2020 on Thursday, 7 May 2020 at 09:00 am London Time. Interested parties can access the live, audio webcast of the call through Coca-Cola HBC's website (<http://coca-colahellenic.com/en/investors/>).

Next event

5 August 2020

Half-year financial report and results announcement

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Special Note Regarding the Information set out herein

Unless otherwise indicated, this trading update and the financial and operating data or other information included herein relate to Coca-Cola HBC AG and its subsidiaries ("Coca-Cola HBC" or the "Company" or "we" or the "Group").

Forward-Looking Statements

This document contains forward-looking statements that involve risks and uncertainties. These statements may generally, but not always, be identified by the use of words such as "believe", "outlook", "guidance", "intend", "expect", "anticipate", "plan", "target" and similar expressions to identify forward-looking statements. All statements other than statements of historical facts, including, among others, statements regarding our future financial position and results, our outlook for 2020 and future years, business strategy and the effects of the global economic slowdown, the impact of the sovereign debt crisis, currency volatility, our recent acquisitions, and restructuring initiatives on our business and financial condition, our future dealings with The Coca-Cola Company, budgets, projected levels of consumption and production, projected raw material and other costs, estimates of capital expenditure, free cash flow, effective tax rates and plans and objectives of management for future operations, are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they reflect our current expectations and assumptions as to future events and circumstances that may not prove accurate. Our actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the 2019 Integrated Annual Report for Coca-Cola HBC AG and its subsidiaries. Although we believe that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we, nor our directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of this trading update, unless we are required by law or the rules of the UK Financial Conduct Authority to update these forward-looking statements, we will not necessarily update any of these forward-looking statements to conform them either to actual results or to changes in our expectations.

Alternative Performance Measures

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions as well as in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's underlying operating and financial performance. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable International Financial Reporting Standards ("IFRS") line items.

Definitions and reconciliations of APMs**FX-neutral APMs**

The Group also evaluates its operating and financial performance on an FX-neutral basis (i.e. without giving effect to the impact of variation of foreign currency exchange rates from period to period). FX-neutral APMs are calculated by adjusting prior-period amounts for the impact of exchange rates applicable to the current period. FX-neutral measures enable users to focus on the performance of the business on a basis which is not affected by changes in foreign currency exchange rates applicable to the Group's operating activities from period to period.

FX-neutral net sales revenue and FX-neutral net sales revenue per unit case

FX-neutral net sales revenue and FX-neutral net sales revenue per unit case are calculated by adjusting prior-period net sales revenue for the impact of changes in exchange rates applicable in the current period.

The calculations of the FX-neutral net sales revenue and FX-neutral net sales revenue per unit case and the reconciliation to the most directly related measures calculated in accordance with IFRS is as follows:

Reconciliation of FX-neutral net sales revenue per unit case *(numbers in € million unless otherwise stated)*

	First quarter 2020			
	Established	Developing	Emerging	Consolidated
Net sales revenue	499.5	255.4	653.9	1,408.8
Currency impact	—	—	—	—
FX-neutral net sales revenue	499.5	255.4	653.9	1,408.8
Volume (m unit cases)	123.6	91.3	268.8	483.7
FX-neutral net sales revenue per unit case (€)	4.04	2.80	2.43	2.91

	First quarter 2019			
	Established	Developing	Emerging	Consolidated
Net sales revenue	532.5	267.2	612.9	1,412.6
Currency impact	5.9	(4.1)	11.2	13.0
FX-neutral net sales revenue	538.4	263.1	624.1	1,425.6
Volume (m unit cases)	130.8	89.7	248.7	469.2
FX-neutral net sales revenue per unit case (€)	4.12	2.93	2.51	3.04